

Town of Bedford Finance Committee

Town Hall, Selectmen's Meeting Room

October 9, 2014

Members in attendance: Rich Bowen, Tom Busa, Steve Carluccio, Elizabeth McClung, Paul Mortenson, Barbara Perry, David Powell, Steve Steele (Chair), Ben Thomas.

Others in attendance: Betsey Anderson, *Town Moderator and Charter Review Committee*; Bob Dorer, *reporter for The Bedford Citizen*; Victor Garofalo, *Director of Finance and Collector/Treasurer*; Bill Moonan, *Selectman*; Ed Pierce, *School Committee*; Jan Sheppard, *Charter Review Committee*.

Special Town Meeting Charter Review Articles: Betsey Anderson introduced her colleague on the Charter Review Committee, Jan Sheppard, and then presented the Committee's work as reflected in Special Town Meeting articles 6 through 10. The recommended changes fall into three categories: "housekeeping", "minor", and "policy".

The last time a Charter Review Committee was convened was in 2009; the current iteration of charter review work began in April 2014 with the goal of recommending amendments for the upcoming November Special Town Meeting. Charter amendments must pass by a 2/3 vote at Town Meeting and then prevail by a simple majority vote at a town-wide election. If these recommendations had not been presented until Annual Town Meeting in March, the opportunity for a ballot vote would not have occurred until the fall of 2015 or spring of 2016. The reason for pressing ahead in this short a timeframe was to be ready for a vote at STM 2014 because there would otherwise be too long a time between the initial Town Meeting presentation/vote and the final election balloting.

Each time the Charter is reviewed for amendment, recommendations for language adjustments are made to improve clarity and to demonstrate actual practice. Ms. Anderson called the Charter "a living document" and said the Committee wanted to make changes so that, "if you were a citizen and you looked at the Charter and you wanted to understand something, you could read it without struggling."

Article 6 - Miscellaneous Charter Amendments is a primarily a series of housekeeping alterations.

Article 7 - Charter Amendment - The Moderator, Election, Deputy Moderator focuses on providing for a supporting, non-elected/appointed Deputy Moderator who would assist with complicated votes, counting, and act as a substitute when the Town Moderator is ill or unavailable.

About **Article 8 - Charter Amendment - Volunteer Coordinating Committee Membership**, Ms. Anderson said it was "the only one with any controversy." The Charter Review Committee is recommending that the Volunteer Coordinating Committee be increased from 3 members to 5 members.

"The VCC does a lot of work. It's a big job. We feel like it would be very helpful to them to have two more people. What often happens is that the people on the Committee have their own circles of friends—through schools, churches, and other organizations in the community—and so adding two more people just gives you a bigger range of people from which to draw. We have a lot of appointed positions in Bedford and it's hard to get people to serve. Another thing is, if someone is ill and out for a while, if you have 5 [VCC members], you're not down to 2 people at that point. The Committee as a group is not in

favor of it; I think it's a 2-1 [against] vote. If it passes at Town Meeting, fine. If it doesn't pass, fine. We feel like they're doing a great job."

Asked about the current Town Committee vacancy numbers, Ms. Anderson said her understanding is that most positions have been filled and the remaining unfilled is "about 6."

Mr. Busa questioned why the Charter Review Committee would recommend change despite the success of the VCC to fill vacancies and despite sentiments against increasing the size of the VCC. "It seems to be working fine. Why, all of a sudden, did you take this one thing and say 'We need to make a change?' "

Ms. Anderson replied that, historically, it is hard to get enough people to serve and fill all the Town committee vacancies. "We have a full Finance Committee now but we've struggled in the past to get qualified people to be interested. The Charter Committee felt pretty strongly about making this change."

Mr. Busa disagreed, saying in his past 9 years on FinCom, he couldn't recall a struggle to find people to serve.

Ms. Anderson said that fewer and fewer people have an understanding of Town Government and many have never attended a Town Meeting or a Finance Committee meeting. She added that the original idea to increase the size of the VCC came from one of the VCC members, but not from the VCC as a whole.

Selectman Moonan reiterated the point about "circles of friends". "The more people that are on that VCC, the more members of the community are available to encourage people to apply for volunteer positions in the Town. This is an attempt to reach out to a larger number of people."

Article 9 - Charter Amendment - Duties of the Volunteer Coordinating Committee is an attempt to clarify the scope of the VCC's duties and amending the number of days from 30 to 60 by which the VCC must present a list of candidates to the appointing authority.

"The process as it currently is, for any position, is that names are presented to the appointing authority [usually the Selectmen but also the Town Moderator, the Finance and Capital Expenditures in some cases]. If they don't choose someone from that list and ask for more names, the VCC is supposed to come back with more names within 30 days. The VCC just felt as though 30 days wasn't enough time. We actually recommended 90, the Committee thought 60", so it was agreed.

"From a practical standpoint, if people are incumbents and want to be reappointed, the bylaws say that their names have to be submitted and you have to find up to 2 other people even though you know perfectly well that if the person is doing a good job, they're going to be reappointed. Letters are sent out to everybody when their terms are up, they respond 'yes' or 'no' and if they want to continue, it goes to the board and the board makes the final decision. If the board chooses not to reappoint someone, then they can ask [the VCC] for names." In this case, the CRC changed the language to reflect how the process works in practice.

From time to time, temporary committee members are appointed by some of the boards—such as building committees for the schools or the Comprehensive Plan committee. In these cases, appointees do not go through the VCC. "People have been unclear about how some of this works. We're just clarifying how it really happens," Ms. Anderson said.

Mr. Carluccio said that any appointing authority can ask for additional candidates if dissatisfied with the original group of names. In this case, the VCC need not come up with multiple names: one additional candidate will suffice.

Article 10 - Charter Amendment – Signature Requirement for Recall Petitions of Elected

Officials recommends a change in the percentage of registered voters’ signatures needed to recall an elected office holder. The Charter now says 10%; the recommended change is to 20%.

“Our recall provision has only been used once in all the time we’ve had the Charter and it was a pretty heavy time when everybody was upset with everybody else,” Ms. Anderson said. “When you recall someone, it’s a big deal. The way it works now, an original 10 people can start the process going but when the petitions go out, 10% of registered voters need to sign, in order to call for an election and decide if the person is going to be recalled, followed by another election to see who will fill that spot [if the recall prevails.] Jan Sheppard did some research into how other towns [handle recalls]. 20% is much more common in other communities and our committee felt like it’s a big deal to recall someone. We’re recommending that the Charter be changed to 20%.”

FinCom members asked what the number of registered voters is in Bedford. Ms. Anderson replied that it was around 8000. “That would make it necessary to get [1600] voters’ signatures,” said Mr. Bowen. “That’s more people than vote in a town election,” said Mr. Busa. “What’s a quorum at Town Meeting?” asked Mr. Thomas. Ms. Anderson replied that a quorum is 100 voters.

Article Assignments for Special Town Meeting and remaining recommendations:

Article 1 - Debate Rules.....Chairman Steele will make the recommendation.

Article 2 - Disposition of Abandoned Property.....Chairman Steele

Article 3 - General Bylaw Amendment –Demolition Delay.....Mr. Powell

Article 4 - Zoning Bylaw Amendment - Industrial Mixed Used.....Mr. Powell

Article 5 - Zoning Bylaw Amendment - Landscaping, Tree Protection and Visual Screening in Developments, including Greenbelts, and Perimeter No Building Rules in Cluster and Planned Residential Developments.....Mr. Powell

Article 6 - Miscellaneous Charter Amendment.....Mr. Carluccio will make the recommendation.

Ms. Perry made a motion that the Finance Committee recommend approval of ***Article 6 - Miscellaneous Charter Amendment*** at Special Town Meeting as printed in the warrant. Mr. Bowen seconded. The motion carried 9-0-0.

Article 7 - Charter Amendment - The Moderator, Election, Deputy Moderator.....Mr. Carluccio will make the recommendation.

Ms. Perry moved that the Finance Committee recommend approval of ***Charter Amendment - The Moderator, Election, Deputy Moderator*** as printed in the warrant. Mr. Bowen seconded. The motion carried unanimously, 9-0-0.

Article 8 - Charter Amendment - Volunteer Coordinating Committee Membership.....Mr. Carluccio will make the recommendation.

Ms. Perry moved that the Finance Committee recommend approval of **Article 8 - Charter Amendment - Volunteer Coordinating Committee Membership** to Special Town Meeting as printed in the warrant. Mr. Bowen seconded.

Discussion: Mr. Busa said he couldn't recommend approval of this article because he doesn't understand "how the Committee itself thinks everything is fine but someone who doesn't serve on the Committee thinks there's a problem."

Mr. Thomas agreed that he had a similar problem with the CRC's recommendation.

Mr. Powell asked if it wasn't the task of the Charter Committee to look at this type of thing.

Mr. Busa responded that he found it hard to believe the CRC "would sit down with the VCC and 2 out of 3 members would say that no change was needed" yet the CRC would go forward with the recommendation for the change.

Ms. Perry said she didn't think there was a problem right now but that it was nonetheless appropriate to expand the VCC to 5 members. "Right now, we have an outstanding committee but considering down the road—since people do have their own friend groups—you might find 2 out of 3 always supporting the people they know."

Mr. Carluccio said he did not believe the process was a deep one. "I think the VCC have to qualify people and then send them up to the next level. They aren't the first level of decision. It's more like 'Are these people qualified?' They take applications and check qualifications."

Selectman Moonan said the Selectmen's expectation of the VCC's duties is "to find volunteers and to vet them and to send names that are appropriate for our consideration."

Mr. Thomas said that he's aware that a VCC member has been "making recommendations for how committees should behave. Are these additional responsibilities and things you expect them to do?"

Mr. Busa said he didn't believe it was within the purview of the VCC to manage how committees functioned.

Mr. Moonan said he didn't see an expanded role for the VCC and believed the duty of the Committee was "reaching out to the community and finding as many volunteers as they can. Originally, they were supposed to find three volunteers [for every vacancy]. They couldn't find three volunteers. If five people are on the board instead of three, that's five areas of the town that can be reached into to find volunteers. They put advertisements in the paper. They encourage people individually. If five are doing that instead of three, you've got two more chances to find one or more volunteers. It would be nice for the Selectmen to be able to choose from more than one person."

Mr. Carluccio said, since most articles presented at Town Meeting do pass, he hoped the Selectmen would make an effort to appoint the two additional VCC members from diverse parts of the community with "distinguishing affiliations."

Ms. McClung said that the committee seeking members also puts out the word that openings exist. "I

don't see why you need to have two more members on the VCC. I don't feel strongly either way but it seems to me you already have a lot of different people looking."

Ms. Perry said there have been periods when the Finance Committee had to function with only six members for lengthy periods ["a year or two"] because no one was interested in stepping forward. "Right now we're in a wonderful position where we don't have many vacancies but that has not always been true."

Mr. Mortenson said he is sympathetic to the idea of adding two more people to the VCC but wondered if other members saw actual harm in the change.

Mr. Busa repeated that "if something is working, why change it? This isn't a problem that needs to be fixed. I've been on Finance for 12 years and it's never been the case in that time that Finance has been down to six members—maybe it was a long time ago. If there's an opening on Finance, there's eight of us—plus the three members of the VCC as well as the Selectmen as well as the School Committee—you probably have 30 people looking for someone interested to fill the vacancy. The same thing happens on Capital Expenditures. If there's an opening on Housing, you have the members of Housing asking around. Why are we trying to fix something that doesn't seem to be broken?"

Mr. Moonan said that it was broken in that it typically takes longer than 30 or 60 days to fill vacancies. "Openings remain because volunteers cannot be found."

Mr. Busa replied that, in the future, if there is a problem, a change can be made at that time. "Why make a change just to make a change?"

Mr. Carluccio said that the VCC meets infrequently now. If two more members are added, "you may end up with more process and more internal stuff versus what their charge is."

Mr. Busa asked new members Mr. Mortenson and Mr. Powell if they had been approached by members of the VCC and if that contact prompted them to apply to be on Finance.

Mr. Mortenson said he had interaction with the VCC but that he was interested in the first place. Mr. Powell said he'd been interested since the round of appointments that yielded Ms. McClung's appointment on FinCom. He added that, once he's applied, there was a question as to whether he was able to serve and that the VCC had researched his eligibility.

Mr. Powell asked if the number of appointed positions had grown such that three members are over-taxed. There was no definitive answer to this question. However, recent turmoil on the VCC itself led to the resignation of all three members. Mr. Moonan said that it took a while to re-assemble a working VCC .

"In that time, an incredible back-log of positions to fill" occurred, Mr. Moonan explained. He added that an "incredible effort" had resulted in the low vacancy numbers now seen and that although FinCom might not have to beg for volunteers, other committees commonly function without full membership. Mr. Moonan added that a five-person committee allowed for a quorum to be met more easily than a three person committee.

With the thought that an article could be presented at a later date to increase the VCC membership to five—through a petitioner’s process, outside the periodic charter review cycle—the Finance Committee’s vote on the motion to recommend approval of **Article 8 - Charter Amendment - Volunteer Coordinating Committee Membership** was defeated with a vote of 4-3-2. Another discussion about Article 8 will take place at the next meeting on October 23. The warrant, which will be printed before that date, will read “Recommendation to be given at Town Meeting”.

Article 9 - Charter Amendment - Volunteer Coordinating Committee MembershipMr. Carluccio will make the recommendation at STM. Ms. Perry moved that the Finance Committee recommend approval of **Article 9- Charter Amendment - Volunteer Coordinating Committee Membership** as written in the warrant. Mr. Carluccio seconded. The motion was carried with a vote of 9-0-0.

Article 10 - Charter Amendment – Signature Requirement for Recall Petitions of Elected Officials...Mr. Carluccio will make the recommendation. Ms. Perry moved that the Finance Committee recommend approval of **Article 10 - Charter Amendment – Signature Requirement for Recall Petitions of Elected Officials** as printed in the warrant. Mr. Carluccio seconded.

Discussion: Mr. Thomas said that 100 people at Town Meeting (a quorum) can vote a \$83M budget but, if Article 10 is passed, it will take 1600 voters to sign a recall petition to get it on a town-wide election ballot. He applauded the CRC for being diligent in their work but failed to see how this amendment made sense. Mr. Carluccio asked how to get information about how many had attended Town Meeting and how many voted in the last elections. Mr. Garofalo said he would contact Town Clerk Doreen Tremblay to obtain this data from the last 3 elections and Town Meetings.

Ms. Perry withdrew her motion and Mr. Carluccio withdrew his second.

Mr. Bowen made a motion that the Finance Committee recommend *disapproval* of **Article 10 - Charter Amendment – Signature Requirement for Recall Petitions of Elected Officials** as printed in the warrant. Ms. McClung seconded. The motion to disapprove passed with a vote of 8-1-0.

Mr. Garofalo asked the Committee to revote the line item called “**Article 15 of the 2014 Bedford Street Sewer Force Main Improvement**” for \$439,465.58 within **Article 11 - Rescind Prior Bond Authorizations and Related Appropriation**. This action is based on an event that occurred two days after the original vote: another sewer break occurred to Bedford’s line near the on ramp to Route 128. “The reason we want you to re-vote this is that we’re going to do an analysis on that and if further repairs need to be done—and if we need this money [rather than rescinding it]— we will probably remove the article.

Ms. Perry moved that the Finance Committee withdraw its previous approval recommendation for Article 11 **Article 11 - Rescind Prior Bond Authorizations and Related Appropriations** and replace it with a recommendation to be made at Special Town Meeting. Mr. Busa seconded Ms. Perry’s motion. The motion passed with a vote of 9-0-0.

Article 11 - Rescind Prior Bond Authorizations and Related Appropriations: Mr. Bowen will make the recommendation at STM.

Article 12 - Community Preservation Surcharge Effective July 1, 2015....Ms. Perry will make the recommendation.

Article 13 - Bond Authorization - Town Hall Building Systems Replacement....Ms. Perry

Article 14 - Amend FY 2015 Community Preservation Budget....Ms. Perry

Article 15 - Amend FY 2015 Operating Budgets....Mr. Steele

Article 16 - Amend FY 2015 Ambulance Enterprise Budget for Introduction of Town Advanced Life Support Services....Mr. Steele

Article 17 - Appropriate Funds for FY 2015 Bedford Police Officers Collective Bargaining Agreement....Mr. Busa

Article 18 - Stabilization Fund Appropriation....Mr. Steele

When presenting articles at Town Meeting, Ms. Perry said she likes to say something about FinCom's decision, particularly if the vote was not unanimous or did not agree with the Selectmen's recommendation. FinCom members agreed that a dissenting member who disagreed with the majority and would like to speak at Town Meeting should get in line with other residents and use the public microphones, making clear that the opinion being expressed is personal and not one reflecting the view of the Committee.

Mr. Mortenson said in Foxboro, where he recently lived and served as Selectman, the Finance Committee submits articles to the newspaper about the town's finances prior to Town Meeting. Ms. Perry said that it is always worthwhile to re-examine how to disseminate financial information, though it was noted that Mr. Garofalo makes available a considerable amount of information at Town Meeting and that past- Chair Mike Seibert's financial "dashboard" has been a well-received innovation.

Financial Model 1.3: Mr. Garofalo pointed out the changes to the model that were agreed upon at the last meeting, including the MEP project's shared funding sources, Community Preservation cash and borrowing and general Town cash and borrowing.

Other changes to the model include:

- Unused Levy now matches the Mitre PILOT: \$1,544,079.
- Budget Surplus is now \$34,014.
- Stabilization has been increased from \$100,000 to \$300,000
- Under Local Revenues, \$500,000 is listed for MEP from Community Preservation. Mr. Garofalo said this figure could change to \$479,000 to match the amount of cash coming from the general Town side but this would have no effect on the model.

Mr. Garofalo noted that tax bills, as previously predicted, will go up \$1.7% on average, with new growth as \$1.5M. The certification process should be completed by STM. Some taxpayers might see a reduction in their third quarter's tax bills since the first 2 quarter bills are based on a tax increase of 2.5%. The increase or decrease will depend on the property valuation.

The reval notification was published in the Lowell Sun and the Bedford Minuteman. So far only one person has contacted the Assessors' office to inquire about the changes. Once two weeks has elapsed since notification, the reval can be sent back to the Dept. of Revenue for finalization.

Mr. Garofalo said that the Dept. of Revenue will certify Free Cash by October 27.

Meetings attended: Ms. Perry reported about the Capital Expenditures meeting, saying that the committee had changed its position on the MEP project and decided not to recommend approval at

STM after all. The reason for this reversal was that some members had “major concerns” about whether the multipurpose room needed to be renovated and whether the elevator controls should be updated.

Mr. Steele said it seemed “late in the day” for a change of heart. Ms. Perry said that Town Manager Reed and Facilities Director Asani will attend the next CapEx meeting to continue this discussion. Mr. Garofalo said, as it stands, the warrant for the MEP article will read “Approval recommended” for both FinCom and the Selectmen and “Approval given at Town Meeting” for Capital Expenditures.

Ms. Perry said that another potential change being discussed by CapEx is switching computer/IT purchases to Capital from Operating. Mr. Garofalo said this issue will undergo discussion and might not “stick.” The proposal was originally brought forward by the Schools.

Mr. Busa said that computers don’t qualify under the definition of “capital” due to their short lifespan. Ms. Perry said the reason for the recommendation is that the Schools “are proposing to increase their technology expenses significantly.”

Mr. Garofalo said the proposal was more broadly about IT investment, not just computers. It would not include the iPads. As for computers on the Town side that are to be replaced, Mr. Garofalo said they are those with XP operating systems that are no longer supported by the manufacturer.

Ms. McClung attended the most recent School Committee meeting and reported that there had been a discussion about the 6-year financial plan. Some themes of that discussion include changes in how projects are vetted/prioritized, space needs and technology.

Ms. Perry said, from her perspective as a voting member of CapEx, there is confusion about prioritization. “As far as the committee was concerned last week, we were going to continue prioritizing and I think there’ll be a push to continue to do that. But we’ve also been told [differently]. First of all, Finance Committee hasn’t given Capital an amount yet. [The Town Manager and Mr. Garofalo] have put out a request that the Capital article be \$2M.”

In response, Mr. Garofalo said, “Our intent is to approach you with a reason behind that amount. That’s part of all the modeling.”

Ms. McClung also indicated the School Committee believed that, with the new 6-year financial format, every item being requested would be approved. “The idea was that we could afford it as a town. So, if it’s on the list, it should be on the list,” adding “We need to have a conversation about this. As a taxpayer, it concerns me.”

As for the space needs issue, Ms. McClung reported that some on the School Committee felt less than prepared to make space needs recommendations without “truly looking at enrollments and construction costs.” The idea the Town would be ready to move forward with a plan to address space needs by FY16 felt unrealistic.

The analysis of technology needs and replacement cycles was the final theme. Ms. McClung said Mr. Pierce of the School Committee called for an accounting of how many computers were needed, not how many were currently in use because inventory were antiquated/obsolete and functionally useless. Rephrasing Mr. Pierce’s concerns Ms. McClung asked, “The plan was to replace a certain number at the high school every year but are we actually using them? Do we need to make that kind of a commitment through our capital budget?”

On the subject of the 6-year Capital Plan, Mr. Pierce then clarified his opinion: “I think this puts a higher hurdle on discussing the items because what Rick and Victor have done is show a pathway to how the

Town can afford this but it doesn't mean that these projects are approved or anywhere near that. It says these have to be justified even more so because they can be afforded. That's the hurdle and the transition. I think CapEx can have more input, rather than less."

Mr. Thomas attended the Selectmen's meeting and reported that there had been some discussion about the Charter Review recommendations. He has distributed the Selectmen's materials through the FinCom DropBox for all members to access.

Future meetings: Roads will be discussed at FinCom's October 30th meeting. The FinCom meeting scheduled for October 16 was rescheduled for October 23. The agenda for that meeting now includes the model, 6 year capital plan, and the new growth increase.

Mr. Bowen made a motion to approve the minutes of FinCom's October 2, 2014 meeting as amended. Mr. Powell seconded. The motion passed unanimously, 9-0-0.

A motion to adjourn was made by Mr. Bowen and seconded by Mr. Powell. The vote passed 9-0-0.

Respectfully submitted,
Kim Siebert, Finance Committee Recording Secretary